

NOTICE OF PERSONNEL COMMITTEE MEETING Monday, November 7, 2022 at 5:00 p.m. Caledonia Village Hall - 5043 Chester Lane

- 1. Call to Order
- 2. Approval of Minutes
- 3. Approval of Side Letter of Agreement Between Village of Caledonia and the Caledonia Professional Policemen's Association, Local 403
- 4. Revisions to Personnel Policies
- 5. Adjournment.

Dated November 4, 2022

Joslyn Hoeffert Village Clerk

Only committee members are expected to attend. However, attendance by all Board members (including non-members of the committee) is permitted. If additional (non-committee) Board members attend, three or more Board members may be in attendance. Section 19.82(2), Wisconsin Statutes, states as follows: If one-half or more of the members of a governmental body are present, the meeting is rebuttably presumed to be for the purposes of exercising the responsibilities, authority, power or duties delegated to or vested in the body.

To the extent that three or more members of the Caledonia Village Board actually attend, this meeting may be rebuttably presumed to be a "meeting" within the meaning of Wisconsin's open meeting law. Nevertheless, only the committee's agenda will be discussed. Only committee members will vote. Board members who attend the committee meeting do so for the purpose of gathering information and possible discussion regarding the agenda. No votes or other action will be taken by the Village Board at this meeting.

1. Call to Order

Trustee Stillman called the meeting to order at 8:15 a.m. at the Caledonia Village Hall, 5043 Chester Lane

Committee Members: Trustee Stillman and Trustee Folk.

Absent: None.

Staff present: HR Manager Michelle Tucker and Village Administrator

Kathy Kasper.

2. Approval of Minutes

Motion by Trustee Folk to approve the minutes as printed. Seconded by Trustee Stillman. Motion carried unanimously.

3. The Personnel Committee will take up a motion to go into CLOSED SESSION for the following purpose(s): to discuss personnel issues as it pertains to specific employees, pursuant to Wis. Stat. 19.85(1)(c), Considering employment, promotion, compensation or performance evaluation data of public employees over which the governmental body has jurisdiction or exercises responsibility specifically to discuss personnel issues with a Village department employee.

Motion by Trustee Folk to go into closed session. Seconded by Trustee Stillman. Motion carried unanimously.

4. The Personnel Committee reserves the right to RECONVENE INTO OPEN SESSION to take possible action on the item(s) discussed during the CLOSED SESSION and to move on to the remaining item(s) on this agenda.

Motion by Trustee Folk to go into open session. Seconded by Trustee Stillman. Motion carried unanimously.

5. Adjournment

Motion by Trustee Folk to adjourn. Seconded by Trustee Stillman. Motion carried unanimously.

Meeting adjourned at 8:37 a.m.

Respectfully submitted, Megan O'Brien Deputy Village Clerk

SIDE LETTER OF AGREEMENT

BETWEEN

VILLAGE OF CALEDONIA

AND THE

CALEDONIA PROFESSIONAL POLICEMEN'S ASSOCIATION, LOCAL 403

THIS SIDE LETTER OF AGREEMENT (hereinafter "the Agreement") is entered into by and between the VILLAGE OF CALEDONIA (hereinafter "the Village") and the CALEDONIA PROFESSIONAL POLICEMEN'S ASSOCIATION, LOCAL 403 (hereinafter "the Association").

WHEREAS, the Village and the Association realize that it is in both parties' interests to establish a procedure for addressing on call time compensation, and other matters related to on call time, for Detectives.

WHEREAS, the Village and the Association agree to resolve all disputes and for all grievances and disputes to be withdrawn, with prejudice, regarding duties, overtime, compensated time, and on call time for detectives.

NOW, THEREFORE, in consideration of the terms and conditions contained herein, the parties hereto agree to the following, effective on ratification of this side letter:

- A. <u>Compensation</u>: A Detective will be compensated for on call time with additional compensatory time that will be allocated as it is earned. A Detective will receive two and one-half (2.5) hours of compensatory time for fulfilling each full weekend assignment and one hour of compensatory time for fulfilling each full holiday assignment that occurs outside a weekend, retroactive to January 1, 2022. All compensatory time earned by the Detective may accumulate to a maximum of 200 hours per year.
- B. <u>Frequency</u>: A Detective will be on call a maximum of eighteen (18) weekends per year and four (4) holidays per year unless the Detective voluntarily accepts assignment of additional weekends or holidays. The Detective is still subject to call-in during emergency weekend or holiday situations. Detectives can trade weekends or holidays subject to approval by the Chief or his/her designee.
- C. Response Time: Policy adopted by the Chief of Police regarding response time shall apply.
- D. <u>Paid Off Days and Off Time</u>: Policy adopted by the Chief of Police regarding paid off days and off time shall apply.
- E. On Call Rotation Selection: The Detectives will have primary responsibility for filling the on call assignments throughout the year, with their final schedule approved by the Chief. If the Detectives fail to provide the completed schedule by December 1 of the preceding year, the Chief or designee will set the on-call rotation.
- F. On Call Requests: Policy adopted by the Chief of Police regarding on call requests shall

apply.

- G. On Call Weekend/Holiday Definition: A weekend for purposes of this Side Letter will begin on Friday at 4 p.m. and end on Monday morning at 8 a.m. A holiday for purposes of this Side Letter will begin at 4 p.m. the day before the observed holiday and end at 8 a.m. the day following the observed holiday. If there is overlap between the weekend and the observed holiday, then the weekend coverage and compensation amount for it will take precedence.
- H. <u>Calls for Assistance That Do Not Require An Answer</u>: Policy adopted by the Chief of Police regarding calls for assistance that do not require an on-site response shall apply.
- I. This Agreement shall act as a full waiver and withdrawal of any grievances with prejudice related to duties, overtime, compensated time, and on call time for detectives.
- J. This Agreement contains the complete agreement and understanding between the parties hereto in reference to all of the matters herein agreed upon and no representations, promises, agreements or understandings, written or oral, not herein contained shall be of force or effect.
- K. This Side Letter shall become the status quo and is to be incorporated into the parties' successor Collective Bargaining Agreement unless agreed by the parties during bargaining. Nothing in this side letter shall prejudice either party, including any matters pertaining to this Side Letter and whether the modifications to the collective bargaining agreement or existing language constitutes mandatory subjects of bargaining. All other terms and conditions of the parties' Collective Bargaining Agreement shall apply. If there are conflicts between the Collective Bargaining Agreement and this Side Letter, the terms of this Side Letter shall govern.

IN WITNESS WHEREOF, the parties hereto execute and enact this Agreement on the dates indicated below.

| CALEDONIA PROFESSIONAL POLICEMEN'S ASSOCIATION, LOCAL 403 | VILLAGE OF CALEDONIA | |
|-----------------------------------------------------------------|----------------------|--|
| Date: | Date: | |

BUSINESS OF THE PERSONNEL COMMITTEE

MEETING DATE: November 7, 2022

PLACEMENT New Business

ITEM TITLE: Policy Updates

SUBMITTED BY: Michelle Tucker

SUMMARY EXPLANATION:

As we transition to our new HRA provider, we reviewed our policies related to the retiree HRA which is covered in several sections of the manual; addressed here are the sections for Retiree Health Care Benefits, Sick Time, Sick Leave Incentive Program, and Severance Benefits. Most of these changes are either to match the language with current practice and/or what is legally allowed; the only significant change to policy is that we recommend removal of the requirement that employees must be on our health plan at retirement in order to qualify to receive their earned sick leave payout into a retiree HRA. We feel it could be beneficial to allow eligible retirees the flexibility to use their funds to pay for the costs of other plans and not limit them to ours, and it may ultimately reduce our retiree health care costs. Some language related to the health plan generally has been removed, but we will be addressing these particular policies in the Insurance section, which will be brought to a future meeting.

RECOMMENDATION: Motion to approve the policy changes and forward to the Village Board.

RETIREE HEALTH CARE BENEFIT

This policy outlines retiree health care benefits that the Village will make available to eligible Village retirees who were not bargaining unit employees at the time of retirement. As detailed below, eligibility will be determined by: (1) full-time status at the time of retirement; (2) date of hire; (3) Medicare eligibility and (4) additionally, for police and fire sworn non-represented staff only, the date of promotion to sworn non-represented status within their respective departments.

A. General Retiree Health Coverage Benefits

1. Retiree Health Insurance Coverage

Regular full-time employees who retire from employment with the Village may be eligible for continued group health insurance coverage, with the Village paying a percentage of the premium cost until the retiree reaches the age of Medicare eligibility or otherwise does not continue the coverage. For eligible retirees, the Village will pay 50% of the premium cost.

Said retiree coverage will continue until such time as the retiree attains the age of Medicare eligibility, or becomes otherwise unable to continue such coverage as determined by the health insurance plan (e.g. total disability). This retiree benefit continuation is limited to medical coverage only. Retirees wishing to continue vision or dental coverage will need to do so through COBRA election.

To be eligible for this continued health insurance benefit, an employee must meet the following criteria:

- The employee must be enrolled in the Village's health insurance program at the time of retirement.
- The employee must meet the age and other requirements for retirement under WRS.
- The retiree must be younger than the age of Medicare eligibility.
- The retiree must have been a regular full-time employee as of the date of retirement.
- A non-police or non-fire retiree must have been hired by the Village before January 1, 2012.
- The employee's age and number of years of continuous employment with the Village, when added together, must total 85 or greater. For public safety employees (as defined by the WRS), age plus continuous service must total 75 or greater.
- To qualify for the benefit, non-represented Police Department sworn employees must: (1)
 meet the criteria defined in sub-section B; and (2) meet all other criteria set forth above.
- To qualify for the benefit, non-represented Fire Department sworn employees must: (1) meet the criteria defined in sub-section C: and (2) meet all other criteria set forth above.

A retiree's continued coverage will be limited to no more than the coverage level in which the retiree was enrolled at the time of retirement. For example, retiree coverage may decrease from family to individual coverage, but may not increase from individual to family coverage.

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Upon the death of an enrolled retiree, or upon the retiree reaching Medicare age, the retiree's beneficiaries who are enrolled in the Village health insurance plan, will be allowed to continue the coverage through COBRA election and in accord with the health insurance plan in place at that time.

Coverage will be maintained only as long as the retiree or the retiree's enrolled spouse timely pays the required employee premium contribution.

2. Health Reimbursement Account (HRA)

Additionally, upon the retirement of a retiring employee who meets all criteria to qualify for retiree health insurance, the Village will fund a Health Reimbursement Account ("HRA") for the employee with the monies remaining at the time of retirement from two sources: (1) the sick leave incentive bank of the retiree; and (2) a lump sum in the amount of 50% of the employee's total accumulated hours of sick leave as of December 31, 2011 at the employee's hourly rate of pay in existence at the time of retirement. The number of accumulated hours at time of retirement cannot exceed the number of hours the employee had as of December 31, 2011. Further, if the number of hours at time of retirement is fewer than the hours accumulated as of December 31, 2011, the lesser amount will be used for calculations that are funded to the HRA.

The retiree and spouse enrolled in Village coverage will be permitted to use the HRA funds for qualifying medical purposes as defined under the law and by the HRA plan including premiums, deductibles and other eligible expenses. Specific rules and processes for the HRA are governed by the third party administrator of the funds.

B. Non-Represented Police Department Retirees

Regular full-time non-represented Police Department employees hired after May 31, 2018 are ineligible for the benefits outlined in this Policy. The collective bargaining agreement in effect at the time of the retirement of a represented member will determine all retiree benefits for that member. Represented employees having questions concerning retirement benefits should consult the agreement or bargaining unit leadership.

1. Health Insurance Coverage

Police Department sworn employees that: (1) transitioned through promotion on or before December 31, 2011, from a bargaining unit position to sworn non-represented status within the Police Department; or (2) were hired by the Village on or before May 31, 2018; (3) who transition through promotion after January 1, 2012 from a bargaining unit position to sworn non-represented status within the Police Department; and (4) who meet all criteria set forth above in Section (A)(1), shall be eligible to receive retiree health insurance benefits.

A retiree's continued coverage will be limited to no more than the coverage level in which the retiree was enrolled at the time of retirement. For example, retiree coverage may decrease from family to individual

Deleted: The HRA funds must be depleted before any funds from any other sources are used to pay premiums. Upon the death of the retiree, or if the retiree is no longer eligible to continue coverage under the Village's insurance plan (e.g., upon reaching the age for Medicare eligibility), the enrolled spouse will be allowed to use the HRA funds on the same terms as the retiree and will be required to elect single coverage. If the HRA is not depleted prior to the spouse reaching the full age of Medicare eligibility, or upon the death of both the spouse and retiree, the HRA will be dissolved, and any remaining funds forfeited as required by law.

coverage, but may not increase from individual to family coverage.

Upon the death of an enrolled retiree, or upon the retiree reaching Medicare age, the retiree's beneficiaries who are enrolled in the Village health insurance plan, will be allowed to continue the coverage through COBRA election and in accord with the health insurance plan in place at that time.

Coverage will be maintained only as long as the retiree or the retiree's enrolled spouse timely pays the required employee premium contribution.

2. Health Reimbursement Account

Upon retirement, the Village shall fund the HRA of the eligible Police sworn non-represented retiree, as outlined in Section (A)(2) above, with (1) the sick leave incentive bank of the retiree and (2) a lump sum in the amount of 50% of the total hours of sick leave accumulated as of the date of employee's promotion to sworn non-represented status within the Police Department, at the hourly rate of pay in existence at the time of employee's retirement.

- a) For eligible employees promoted to sworn non-represented status on or before December 31, 2011, the number of accumulated hours at time of retirement cannot exceed the employees balance as of December 31, 2011.
- b) For eligible employees promoted after December 31, 2011, the number of accumulated hours at time of retirement cannot exceed the number of hours the employee had as of the date of promotion to sworn non-represented status within the Police Department.
- c) Further, if the number of hours at time of retirement is fewer than the hours accumulated as of the date of promotion to sworn non-represented status within the Police Department, the lesser amount will be used for calculations that are funded to the HRA.

The retiree and spouse enrolled in Village coverage will be permitted to use the HRA funds for qualifying* medical purposes as defined under the law and by the HRA plan including premiums, deductibles and other eligible expenses. Specific rules and processes for the HRA are governed by the third party administrator of the funds. Non-Represented Fire Department Retirees

Regular full-time non-represented Fire Department employees hired after May 31, 2019, are ineligible for the benefits outlined in this Policy. The collective bargaining agreement in effect at the time of the retirement of a represented member will determine all retiree benefits for that member. Members having questions concerning retirement benefits should consult the agreement or unit leadership.

2. Health Insurance

Regular full-time non-represented fire service employees who: (1)) transitioned through promotion on or before December 31, 2011, from a bargaining unit position to sworn non-represented status within the Fire Department; or (2) were hired on or before May 31, 2019; (2) who transition after January 1, 2012 from a bargaining unit position to a sworn non-represented status within the Fire Department; and, (4)

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meet all criteria set forth above in Section (A)(1) above, shall be eligible to receive retiree health insurance benefits.

A retiree's continued coverage will be limited to no more than the coverage level in which the retiree was enrolled at the time of retirement. For example, retiree coverage may decrease from family to individual coverage, but may not increase from individual to family coverage.

Upon the death of an enrolled retiree, or upon the retiree reaching Medicare age, the retiree's beneficiaries who are enrolled in the Village health insurance plan, will be allowed to continue the coverage through COBRA election and in accord with the health insurance plan in place at that time.

Coverage will be maintained only as long as the retiree or the retiree's enrolled spouse timely pays the required employee premium contribution.

3. Health Reimbursement Account

Upon retirement, the Village shall fund the HRA of the eligible Fire sworn non-represented retiree, as outlined in Section (A)(2) above, with (1) the full sick leave incentive bank of the retiree and (2) a lump sum in the amount of 50% of the total hours of sick leave accumulated as of the date of employee's promotion to sworn non-represented status within the Fire Department, at the hourly rate of pay in existence at the time of employee's retirement.

- a. For eligible employees promoted to sworn non-represented status on or before December 31, 2011, the number of accumulated hours at time of retirement cannot exceed the employees balance as of December 31, 2011.
- b. For eligible employees promoted after December 31,2011, the number of accumulated hours at time of retirement cannot exceed the number of hours the employee had as of the date of promotion to sworn non-represented status within the Fire Department.
- c. Further, if the number of hours at time of retirement is fewer than the hours accumulated as of the date of promotion to sworn non-represented status within the Fire Department, the lesser amount will be used for calculations that are funded to the HRA.

The retiree and spouse enrolled in Village coverage will be permitted to use the HRA funds for qualifying medical purposes as defined under the law and by the HRA plan including premiums, deductibles and other eligible expenses. Specific rules and processes for the HRA are governed by the third party administrator of the funds...

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SICK LEAVE

All non-represented employees of the Village accrue paid sick leave at the rate of one (1) day per month for each completed calendar month of employment, up to a maximum of 190 days. No sick leave is accrued for partial calendar months. Battalion Chiefs earn 1 24-hour day per month of completed employment. Paid sick leave may be taken only when an employee is ill, for doctor appointments and medical procedures, when an employee has been injured on the job and is using paid sick leave to supplement worker's compensation, or when an employee is needed to care for an ill member of the employee's immediate family, as defined in the policy manual. Payment for sick days shall be based on the number of hours typically scheduled to work in a day. Any claim for paid sick leave of three (3) consecutive working days or more must be accompanied by a statement from a physician certifying the medical reasons requiring the employee's absence from work. The Village reserves the right to determine the acceptability of a physician statement and/or to require a second physician's review at Village expense.

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Deleted: Effective January 1, 1995, management employees may accumulate in excess of 190 days of sick time, up to an additional 60 days maximum, to be banked for use only for a catastrophic medical condition. All other paid leave (sick leave, vacation, etc.) available to a management employee must be exhausted before the employee may use any sick days from his or her catastrophic bank. Catastrophic sick days may not be transferred among employees; they may only be used by the employee who banks them. Unused catastrophic sick days will not be paid out, and cannot be used to pay insurance premiums, upon termination of employment for any reason including retirement.

SICK LEAVE INCENTIVE PROGRAM

Effective January 1, 2012, employees shall not accrue any additional sick leave incentive credit. Prior to January 1, 2012, employees received an annual credit based upon the amount of sick leave used during each calendar year. Eligible employees may contact the Finance Director to confirm the amount of sick leave incentive credit accrued prior to 2012.

A. Vesting and Distribution:

- 1. Vesting. Employees shall be vested after five (5) full calendar years of creditable employment. An employee separating employment for any reason prior to achieving five (5) full calendar years of creditable employment shall have no right to the amounts accrued and such amounts shall be forfeited.
- 2. Separation Prior to Retirement and Prior to Qualifying for Continued Group Health Insurance Coverage Benefits. After being vested, employees who leave the employment of the Village for any reason prior to retiring under the Wisconsin Retirement System (WRS) and qualifying for continued group health insurance coverage under Severance Benefits Section (C) of this Manual will have the amount accumulated in their sick leave incentive bank paid out as a separation benefit. This amount will be in addition to the sick leave credit provided for in the Severance Benefits Section of this Manual.

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3. Separation at Retirement: After being vested, employees who retire under WRS will have the amount accumulated in their sick leave incentive bank incorporated into the fund established for the employee in the Severance Section of the Manual. The amount shall be administered in the same manner as the funds authorized in that section. This benefit will be in addition to the benefit set forth under Severance Benefits Section (c) of the Manual. The employee will not have an option or right to have the amount accumulated in their sick leave incentive benefit paid out as a separation benefit, nor shall the employee be eligible for the sick leave credit provided for in the

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Deleted: 3. Separation at Retirement when Qualifying for Continued Group Health Insurance Coverage Benefits. After being vested, employees who retire under the WRS and qualify for continued group health insurance coverage under Section 21 (C) of this Manual will have the amount accumulated in their sick leave incentive bank incorporated into the fund established for the employee by Section 21 (C) of this Manual. The amount shall be administered in the same manner as the funds authorized in that section. This benefit will be in addition to the benefit set forth under Severance Benefits Section (C) of this Manual. The employee will not have an option or right to have the amount accumulated in their sick leave incentive bank paid out as a separation benefit, nor shall the employee be eligible for the sick leave credit provided for in the Severance Benefits Section of this Manual. ¶

4. Separation at Retirement when Not Qualifying for or Declining Continued Group Health Insurance Coverage Benefits. After being vested, an employee who (1) retires under the WRS but does not qualify for continued group health insurance coverage under Severance Benefits Section (C) of this Manual, or (2) qualifies to receive continued health insurance coverage but chooses not to remain insured under the Village's health insurance plan, will have the amount accumulated in the employee's sick leave incentive bank paid out as a separation benefit. The amount paid to the employee shall be in addition to the sick leave credit provided for in the Severance Section of this Manual.

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| Severance | Benefits | section D | of this | manual. |

4Any employee who receives benefits under Section (B)2 through 4 above shall be responsible for the payment of state and federal taxes related to the portion of the benefits that is taxable. The Village does not advise on any personal income tax requirements or issues. Employees are encouraged to seek professional tax advice for personal income tax questions and assistance.

5, Employees hired on or after January 1, 2012, are not entitled to any of the above benefits.

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SEVERANCE BENEFITS

Employees hired on or after January 1, 2012 are not entitled to the severance benefits set forth below, except for applicable COBRA benefits and unused vacation (see B). The following severance

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benefits apply to any regular full-time employee hired prior to January 1,2012:

Regular full-time employees are eligible to receive severance benefits upon retirement, termination due to total disability, or non-disciplinary terminations. Except for unused vacation pay, employees terminated for disciplinary reasons are not eligible for any of the severance benefits listed below. Severance benefits include:

- A. A lump sum payment of \$15.00 per day for accrued, unused sick days up to a maximum of 190 days. Effective January 1, 2012, there shall be no further accrual of sick days for the purpose of determining the amount of lump sum payment.
- B. Pay for awarded but unused vacation. There shall be no payment, however, for unused floating holidays.
- C. Regular full-time employees who retire under the Wisconsin Retirement System (WRS) and from employment with the Village may be eligible for continued group health insurance coverage, with the Village paying 50% of the premium cost. To qualify for this benefit, the following criteria must be met:
 - The employee's age and number of years of continuous employment with the Village, when added together, must total 85 or greater. For public safety employees (as defined by the WRS), the total age and continuous service must be 75 or greater.
 - The employee must meet the age and other requirements for retirement under WRS.
 - Eligible employees must pay their 50% share of the premium on a timely basis.
 - The employee must be enrolled in the Village's health insurance program at the time of retirement.

Upon retirement and in lieu of the lump sum payment for accrued sick days in paragraph A. above, a management or other non-represented employee may opt to receive 1/2 of the total accumulated hours of sick leave at the employee's hourly rate of pay in existence at the time of retirement in a retiree Health Reimbursement Account. Effective January 1, 2012, there shall be no further accrual of sick leave for the purpose of funding this benefit Specific details of the insurance plan are included in the Insurance Section of this manual and are subject to law and the insurance plan's requirements.

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- D. If the employee is (1) qualified to receive the health insurance benefit under Paragraph C, but chooses not to remain insured under the Village's health insurance plan, or is (2) not qualified to receive the health insurance benefit under Paragraph C, but has reached the age of retirement as defined under the Wisconsin Retirement System, the employee will be paid at the employee's hourly rate in effect at the time of retirement for 25% of the total accumulated sick hours that the employee has available at retirement. This payment would be on the employee's final paycheck, and employee would be subject to state and federal taxes for the amount. Subject to any applicable COBRA benefits, an employee who chooses to receive the 25% payout under this section shall not be allowed to continue on or rejoin the Village's health insurance plan and shall not be eligible to receive the lump sum payment for accrued sick days in Paragraph A above. Effective January 1, 2012, there shall be no further accrual of sick leave for the purpose of funding this benefit.
- E. Any employee or his/her spouse, who opts to receive benefits under Sections A through D shall be responsible for the payment of state and federal taxes related to the portion of the benefit that is taxable, and the Village shall make the required withholdings. The Village does not advise on any personal income tax requirements or issues. Employees are encouraged to seek professional tax advice for personal income tax questions and assistance.

Deleted: The retiree or spouse (where applicable above) shall be offered enrollment in the same health insurance plan that he/she participated in prior to retirement, except that when the underlying group from which he/she retired changes its health insurance plan, the retiree/spouse will be required to change to that plan as well. ¶

Deleted: Subject to any applicable COBRA benefits, the above provisions related to continuation of health insurance coverage apply only to an employee and his/her spouse, and not to any dependents of the employee or spouse.

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